



VIETNAM DAILY NEWS



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Market Analysis

1. Shares extend losses despite foreign net buying

On the Ho Chi Minh Stock Exchange, the VN-Index decreased more than 1 per cent to close the session at 962.3 points. The southern market index lost 2.1 per cent in the last three sessions.

On the Ha Noi Stock Exchange, the HNX-Index gave up another 0.64 per cent to end at 105.75 points.

The northern market index fell 1.8 per cent this week.

Liquidity dropped when more than 193 million shares worth total VND3.6 trillion (US\$155 million) changed hands on the two bourses, down 15 per cent in volume and 26.5 per cent in value compared to the previous trade.

According to market insiders, selling pressure was increasing amid weak demand, which was reflected by low liquidity, showed rising investor caution.

Banking stocks which performed well in the morning such as Vietcombank (VCB), Vietinbank (CTG), BIDV (BID) and Techcombank (TCB) were under selling pressure and declined or retreated to reference price in the afternoon session.

Many speculative stocks in the securities, oil and gas, real estate and garment and textile sectors also slumped.

Losers included big companies such as Saigon Securities Inc (SSI), PV Gas, PetroVietnam Drilling and Wells Service (PVD), PetroVietnam Technical

Service (PVS), Cotecons Construction (CTD), Vingroup (VIC) and Vinhomes (VHM).

Among the VN30 (which tracks the top 30 shares by market value and liquidity on the Ho Chi Minh Stock Exchange), brewer Sabeco was the biggest loser, down 6.4 per cent

Some bucked the trend and posted gains including Vinamilk (VNM), Vincom Retail (VRE), budget airline Vietjet (VJC) and FPT Corp (FPT). However, their gains were modest of less than 1 per cent and failed to lift the market.

“The market failed to recover due to strong selling pressure in midcap and penny. Short-term profit-seeking opportunities are shrinking very quickly,” said Khai Tran, a stock analyst at Viet Dragon Securities Co, in a daily report.

“Investors should prioritise risk management at this time,” Khai said.

Meanwhile, foreign investors extended their net buying streak this week. They were responsible for net buy value of more than VND195 billion in the three markets including the Unlisted Public Company Market (UPCoM).

Their net buy value totalled about VND600 billion this week.

Their buys continued to focus on blue chips, especially three “Vin” stocks including Vingroup, Vincom Retail and Vinhomes which totalled net value of VND78.5 billion on Thursday.

Macro & Policies

2. Orion's Choco pie sales in Vietnam surpass Korea for the first time

According to Orion, Choco pie sales in Vietnam surpassed sales in Korea last year at 83 billion won.

It is the second country to have done so, with the first being China.

Choco pie, chocolate-covered biscuits with marshmallow filling, was first introduced to Korean consumers in 1974.

Its popularity grew across the world, and exports to Vietnam began in 1995. Orion has two production plants in Vietnam, in Hanoi and Ho Chi Minh City.

The snack is so popular in Vietnam that it is even used in ancestral rites, said the company.

As part of promotions last year, Orion handed out 300,000 Choco pies to local students on the day of the college entrance exam.

The company plans to target youths in the Southeast Asian country and reach the goal of 100 billion won in sales, as over 50 per cent of the Vietnamese population is 30 years old and below, major consumers of confectionery.

3. Construction material supply meets domestic demand

Currently, the sector is promoting exports, focusing on protecting the environment and saving resources, said Head of the department Pham Van Bac.

Supply and demand balance in the construction material market continues to be guaranteed. Notably, about 20.7 million tonnes of cement was consumed in the first months of 2019, equivalent to the same period of 2018. Domestic consumption accounted for 12.5 million tonnes.

In recent times, the ministry has coordinated with other sectors to make timely adjustments to ensure sufficient raw materials for cement plants to operate stably and has also encouraged rational use of minerals as materials for construction projects.

Accordingly, planning of products in construction materials and problems arising in State management have been reviewed and summed up after the product planning of this field expired on December 31, 2018, thus proposing management solutions replace the plan of construction materials products when it expires under regulations of the Law on Planning.

The ministry has paid attention to several contents related to the development strategy of the cement industry by 2030 towards 2050; the construction materials development strategy in the period of 2021-2030, with a vision to 2050; the project on research and development of construction materials in service of coastal and island works to 2025; and reviewing the 10 years of implementation of the unburnt construction materials programme.

Along with urging localities to remove manual kilns and lime kilns and increase the use of unburnt building materials, the Ministry of Construction continues to implement the project of promoting the treatment and use of ash, slag, gypsum of thermal power, chemicals, and fertiliser plants as raw materials for production of construction materials and in construction projects.

One of the key tasks of the Ministry is to supplement the list of locally produced construction materials to control and limit the import of goods manufactured locally, and handle problems related to minerals used as construction materials and minerals used as cement materials.

4. Vietnam should continue economic restructuring: ADB official

In a recent interview with the Vietnam News Agency, Sidgwick said growth must be inclusive and growth benefits should be shared widely. Additionally, it must also be sustainable in terms of environment. Therefore, Vietnam should press on with economic restructuring.

The country needs to be able to adapt to challenges as it could face different shocks, including climate change and vulnerability in trade, he said, making six suggestions to the Vietnamese Government, the first of which is to continue to maintain macro-economic stability.

He also urged the continued upgrade of infrastructure in all fields, from energy, transportation, urban development, smart city building to climate change response, noting that cities will be the biggest contributor to economic growth. Furthermore, focus must be paid to not only quantity but also quality of infrastructure development.

Thirdly, the ADB official called on the Government to continue developing the financial sector, consolidating the banking system and expanding the capital market, including both the government and corporate bond markets, to promote people's financial access.

Fourthly, Vietnam should pay due attention to climate change as it is vulnerable to this global phenomenon, and fifthly, it is also necessary to

develop people's skills, especially through tertiary and vocational education, which is particularly important amid the Fourth Industrial Revolution, Sidgwick noted.

Lastly, the ADB Country Director also suggested the Government continue improving the business climate as well as its role as a leader, an advisor and a purveyor of services so as to facilitate operations of domestic businesses, including private firms. Notably, it is critically important for the Vietnamese Government to step up administrative reforms and enhance its efficiency and effectiveness to become a truly action-oriented government, thus creating a favourable environment for the private economic sector.

In its recently released Asian Development Outlook 2019, the ADB predicted Vietnam's economic growth rate at 6.8 percent this year and 6.7 percent in 2020.

Sidgwick said 6.8 percent is a good growth rate, and the ADB believes that all fields of Vietnam like agriculture, fisheries, livestock farming, construction, manufacturing and services are operating well and they will sustain their performance in 2019.

Even when the growth rates in 2019 and 2020 moderate compared to the fast pace of 7.08 percent in 2018, they are still high and reflect sustainability, according to him.

5. Zuellig Pharma supports vaccines transportation solution

Zuellig Pharma will contribute the eZCooler and cooperate with the relevant authorities in Vietnam to provide training to employees of the medical prevention departments in six provinces on international standards and goods storage practices for cold chain supply management and the use of the eZCooler.

The project aims to support the Vietnam Expanded Program on Immunization (EPI), initiated by the Ministry of Health in 1981, with the support of the World Health Organization and the United Nations Children's Fund.

The nation's public health program has since benefitted millions of women and children. Ensuring the highest standards of cold chain

supply for vaccines will further contribute to the success of the EPI.

According to the EPI plan, the Ministry of Health aims to improve the proportion of vaccination in areas that are at high risk of outbreaks and in areas that are geographically difficult to reach, such as remote, mountainous and island areas.

In view of this, Zuellig Pharma will contribute an eZCooler with three capacities (8, 12 and 96 liters) to six northern provinces: Hai Duong, Bac Ninh, Quang Ninh, Ha Giang, Son La and Yen Bai.

“To meet the goal of the EPI, we faced many challenges, such as access to local health centers in remote areas, changes in temperature through

different seasons and regions and limited transport systems in remote areas,” said Doan Huu Thien, director of the National Institute of Vaccines and Medical Biologicals.

According to Business Monitor International, Vietnam's healthcare expenditure was estimated at US\$16.1 billion in 2017, and the figure will grow to US\$22.7 billion by 2021.

“Vaccines and cold chain products make up a significant part of this expenditure. Zuellig Pharma is honored to contribute our innovative solutions to this project to ensure that everyone in the country has easy access to vaccines,” said Marc Franck, chief executive Zuellig Pharma Vietnam.

Corporate News

6. DBC: Financial Statement Quarter 1/2019

↑ 3.23%

DABACO Group announced the company's Financial Statement Quarter 1/2019.

File Attachment

[DBC 2019.4.18 c6c4e02 financial statements.zip](#)

7. DBC: Financial Statement Quarter 1/2019 (holding company)

↑ 3.23%

DABACO Group announced the company's Financial Statement Quarter 1/2019 of holding company.

File Attachment

[DBC 2019.4.18 2ba6eb3 financial statements.zip](#)

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